

CHAPTER 1122**INSURANCE - PAYMENT OF CLAIMS BY ADMINISTRATOR***S.F. 2123*

AN ACT relating to the payment of claims by an administrator acting on behalf of an insurer.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 510.18, Code 1995, is amended to read as follows:

510.18 PAYMENT OF CLAIMS.

A claim paid by the administrator from funds collected on behalf of the insurer shall be paid only on a draft ~~of and~~ check, or by electronic funds transfer as authorized by the insurer.

Approved April 17, 1996

CHAPTER 1123**TAXATION OF FOREIGN CORPORATIONS***H.F. 2166*

AN ACT relating to the taxation of foreign corporations and providing an effective and retroactive applicability date provision.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. NEW SECTION. 422.34A EXEMPT ACTIVITIES OF FOREIGN CORPORATIONS.

A foreign corporation shall not be considered doing business in this state or deriving income from sources within this state for the purposes of this division by reason of carrying on in this state one or more of the following activities:

1. Holding meetings of the board of directors or shareholders or holiday parties or employee appreciation dinners.
2. Maintaining bank accounts.
3. Borrowing money, with or without security.
4. Utilizing Iowa courts for litigation.
5. Owning and controlling a subsidiary corporation which is incorporated in or which is transacting business within this state where the holding or parent company has no physical presence in the state as that presence relates to the ownership or control of the subsidiary.
6. Recruiting personnel where hiring occurs outside the state.

Sec. 2. This Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to January 1, 1996, for tax years beginning on or after that date.

Approved April 17, 1996